

**NATIONAL CONDOMINIUM
TRAINING AND TECHNICAL
ASSISTANCE PROGRAM:
ROMANIA**

**OUTLINES OF MODULES
FOR OWNERS'
ASSOCIATIONS MANUAL**

Prepared for



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Prepared by

Antonia Sanders
PADCO, Inc.

Marvin J. Price
Legum & Norman, Inc.

under subcontract to

The Urban Institute



THE URBAN INSTITUTE

2100 M Street, NW
Washington, DC 20037
(202) 833-7200
www.urban.org

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**OUTLINES OF MODULES FOR
OWNERS' ASSOCIATIONS MANUAL**

ROLES AND RESPONSIBILITIES OF THE EXECUTIVE BOARD

- I. Chapter overview
- II. Representing unit owners
 - A. Avoiding conflict of interest situations
 - B. Subordinating self-interest
 - C. Refusing remuneration
- III. Setting policies and overseeing execution of policies
 - A. Rule enforcement
 - B. Facilitating management and operation of the physical aspects of the building(s)
 - 1. Facilitating adoption of management plan
 - 2. Ensuring adherence to management plan
 - 3. Ensuring that building and adjacent territories are well-maintained
 - 4. Contracting with service providers
 - C. Administrative management
 - 1. Legal actions
 - 2. Enforcing rules and regulations
 - 3. Negotiating with government entities
 - 4. Recordkeeping



- a. Minutes of board meetings
- b. Copies of correspondence with board meetings
- c. Income documentation
- d. Expense documentation

5. Communication with owners

IV. Overseeing Association financial affairs

- A. Facilitating adoption of budget
- B. Ensuring adherence to budget
- C. Financial reporting to unit owners
- D. Financial analysis
- E. Recommending fees

V. Conducting meetings

- A. Conduct periodic board meetings
- B. Organize general meeting

Annex 1 Sample Forms

- 1. Sample Agenda for Board Meeting
- 2. Sample Agenda for General Meeting
- 3. Sample Meeting Minutes

Annex 2 Case Studies

- 1. The Board is presented with an estimate for various repairs and capital improvements, which, if undertaken, would necessitate an increase in fees. The Board must decide how to approach the unit owners.



2. The building's janitor is not complying with the Association's standards of cleanliness. How does the Board handle this situation?

PROPERTY MANAGEMENT

- I. The components of property management
 - A. Facilities maintenance
 - B. Contracted services
 - C. Financial management
 - D. Personnel management
 - E. Developing and enforcing rules
 - F. Communications
 - G. Developing the management plan
- II. Elements inherent in Owners' Association management
 - A. Progressive and forward thinking
 - B. Develop community spirit as well as clean, well maintained common areas
 - C. Management procedures developed by owners through representative form of self-government
 - D. Elected association leadership who serve constituents
 - E. Burden of responsibility on owners
 - F. Systems for monitoring service and quality of management
 - G. Mechanism for owners to vote to change management
 - H. Due process
 - I. Setting goals for quality maintenance



- J. Standards for care and upkeep determined by unit owners
- K. Obtaining the best service at the best price



III. Property manager's job description

A. Duties and responsibilities

B. Staff Supervision

1. Job assignments
2. Policies and procedures
3. Employee review, critique, and training

C. Facilities inspection

1. Weekly inspection
2. Written reports, including recommendations
3. Monitor maintenance

D. Vendor contractor

1. Contract for supplies and services
2. Monitor vendor quality and responsiveness
3. Supervise purchasing receipt records
4. Inventories

E. Public relations

1. Communication to residents
2. Communication between residents and Board/Executive Committee

F. Administration - recordkeeping and correspondence

1. Office operations
2. Prepare and submit reports
3. Monitor maintenance records



4. Schedule preventive maintenance
5. Security
6. Prepare and verify employee time records
7. Monthly/quarterly management report
- G. Service to individual residents
 1. Emergency response
 2. Manager-resident relationship

FACILITIES MAINTENANCE

- I. Overview
- II. The Association's obligation to provide effective maintenance
- III. The benefits of maintenance
- IV. Who is responsible for what in a condominium
- V. Types of maintenance
 - A. Routine custodial maintenance activities
 - B. Scheduled and preventive maintenance
 - C. Emergency and responsive maintenance
 - D. Deferred maintenance
- VI. Steps to develop a maintenance program
 - A. Inventory the property, facilities, and equipment
 - B. Conduct a physical inspection of the inventories property
 - C. Identify warranties and service contracts on equipment



- D. Define maintenance goals and standards
- E. Develop a maintenance policies and procedures manual
 - 1. Writing procedures for routine maintenance (housekeeping)
 - 2. Writing procedures for scheduled preventive maintenance
 - 3. Writing procedures for emergency responsive maintenance
 - 4. Writing procedures for addressing deferred maintenance

CONTRACTED SERVICES

- I. Overview
- II. Guidelines for deciding when to contract out for services
 - A. Unsatisfactory experience using current provider
 - B. Unsatisfactory experience using in-house staff
 - C. Legal requirements
 - D. The investment
 - E. Fiduciary responsibilities/good business judgment
 - F. Cost effective test/service to owners test
- III. Designing the scope of work and specifications
 - A. Specific description of work to be performed and quality of work
 - B. Time period within which work is to be performed
 - C. Penalties for failure to perform adequately
 - D. Materials to be used
 - E. Requirements for insurance or licensing



- F. Description of property, facilities, or equipment to be maintained or repaired
- G. Description of the level, quality or expertise of contractor personnel to be used
- H. Association contact person
- I. Warranties
- IV. Identifying qualified contractors and invitations to bid
 - A. Inviting contractors to bid
 - B. Evaluating the bids
 - C. Selecting the contractor
- V. Contract negotiation
- VI. Getting the most out of the contractor

FINANCIAL MANAGEMENT

- I. Overview
- II. Preparing a Financial Plan
 - A. Establishing the process for preparation and approval
 - B. Establishing objectives
 - 1. Collect information from owners
 - 2. Collect information about the building
 - 3. Estimate the cost of repairs and replacements
 - 4. Prioritize repairs and replacements
 - 5. Estimate the total cost of all property services
 - 6. Collect information about the finances





- C. Develop draft financial plan
 - 1. Establish budget categories
 - 2. Draft the initial budget expense amounts
 - 3. Draft the initial budget income amounts
 - 4. Calculate a draft of new fees to be charged to owners
 - 5. Redraft the budget
- D. Develop a financial plan
- III. Accounting systems and financial procedures
 - A. Accounting systems
 - 1. Chart of accounts
 - 2. Ledgers, books, records, files
 - B. Financial procedures
 - 1. Income receipts and accounts receivable
 - 2. Expenses, cash disbursements and accounts payable
 - 3. Fixed assets
 - 4. The general ledger
- IV. Financial reports and statements
 - A. Balance sheet statements
 - B. Income statements
- V. Getting professional help in managing financial matters
 - A. The independent financial audit
 - B. Investment policy

VI. Developing assessment collection policies and procedures

- A. Using communications to keep delinquencies low
- B. Referring accounts to the attorney

DEVELOPING AND ENFORCING THE RULES

I. Chapter overview

II. Developing and adopting rules

- A. Input from property managers
 - 1. Recommending solutions to problems by instituting a new rule
 - 2. Assessing long-term effectiveness of proposed rules
- B. Reviewing “basic” or “boilerplate” rules
- C. Steps to take before adopting new rules
 - 1. Testing for reasonableness
 - a. Will owners be able to comply?
 - b. Is the rule too drastic in scope?
 - c. Is the rule designed to benefit the majority of owners?
 - 2. Obtaining input on rules from the owners
 - a. Notify owners in writing about the new rule
 - (1) Copy of proposed rule
 - (2) Explanation of why the rule is being proposed
 - (3) Explanation of what problem the new rule will address



III. Assuring owner compliance

- A. Ensuring that owners were notified of rules
 - 1. Ensuring that owners understand the rules
- B. Communicating infractions to owners
 - 1. Communicating the problem
 - 2. Getting the owner's version of events

IV. Enforcing rules

- A. Observe rule violation
- B. Reporting the violation in writing
- C. Communicating with the owner in person or over the telephone
- D. If violation continues, send letter to the owner
- E. If after sending the letter the violation continues, schedule a hearing
- F. Notify owner of hearing
- G. Conduct hearing
- H. Notify owner of Board's decision at hearing

Annex 1 Sample Forms

- 1. Sample letter (informal) to owners regarding violations
- 2. Sample of first written notice of rules violation
- 3. Sample hearing notice
- 4. Sample letter to owners regarding change in rules
- 5. Sample rules and regulations

Annex 2 Case Studies

1. An Association decides to adopt a policy regarding pets
2. A unit owner violates Association rules by playing his stereo at a high volume every night at midnight.

DEVELOPING A MANAGEMENT PLAN

- I. Chapter overview
- II. Information gathering
 - A. Building Survey
 1. Interior
 2. Exterior
 - B. Establishing the Association's financial baseline
 - C. Determining administrative problems/issues
 - D. Prepare list of questions regarding each component
 - E. Develop list of recommendations for each component
- III. Preparing for a planning session
 - A. Developing a list of Association priorities
 1. Board of Directors prepares initial draft
 2. Survey unit owners
 - B. Schedule meeting
 1. Establish agenda
 2. Choose and invite participants



IV. Planning session

A. Introduction

1. Board explains benefits of long-term planning
2. Board explains purpose of planning session
3. Board presents preliminary findings

B. Board announces goals of meeting

C. Planning

1. Establishing standards
2. Establishing goals to meet standards
3. Examine financial ramifications of possible courses of action
4. Establishing priorities
5. Identifying tasks and target completion dates

V. Prepare calendar of events and/or written narrative plan

Annex 1 Sample Forms

1. Sample building survey form
2. Sample unit owner survey form
3. Sample list of questions regarding issues/problems
4. Sample list of priorities
5. Sample standards
6. Sample management plan

Annex 2 Case Studies

1. Deciding how to prioritize physical improvements on a severely limited budget
2. Developing standards for cleanliness of the common areas

RELATIONS WITH GOVERNMENT AGENCIES

- I. Primary relationships of Owners' Associations
 - A. City Hall
 - B. Courts
 - C. Labor Department
 - D. Ministry of Public Works
 - E. Service Providers
- II. Identifying issue or problem
 - A. Documenting issue
 - B. Determining the desired outcome
- III. Determining which person or agency has the authority and obligation to address the issue or problem
 - A. Gaining intelligence on agency and relevant personnel
 - B. Determining the chain of command
 - C. Obtaining information on procedures for making complaints/inquiries
- IV. Considering different approaches to dealing with responsible person or agency
 - A. Determining who should represent the condominium
 - B. Preparing written request/complaint



- C. Making a personal visit
- V. Formulating and implementing a plan for dealing with the responsible party
 - A. Following up
 - B. Obtaining a resolution
 - C. Monitoring and evaluating how and when resolution is implemented
- VI. Monitoring and evaluating results of resolution

Annex 1 Sample Forms

- 1. Sample letter to municipal official
- 2. Sample description of a problem and a desired solution

Annex 2 Case Studies

- 1. How does the association find out who or what agency is responsible for cleaning the streets?
- 2. How to put together a plan to address problems with utility bills.

COMMUNICATIONS AND INTERPERSONAL MANAGEMENT SKILLS

- I. Chapter overview
- II. The reasons for Owners' Associations to have communications programs
 - A. Keeping owners informed
 - B. Forming as base of support for the board
 - C. Meeting the needs and desires of the owners
 - D. Fostering feelings of community spirit
 - E. Preventing problems
 - F. Educating future board members





III. Types of communication

A. Listening

1. The suggestion box
2. Resident questionnaires
3. Open forums at board meetings
4. "Question and Answer" column in Association newsletters
5. Unit owner survey forms

B. Written Communication

1. Timeliness of written communications
2. Communicating clearly
3. Choosing the appropriate tone
4. Types of written communication
 - a. Newsletters
 - b. Individual correspondence
 - c. Community residents' directory
 - d. Rules and regulations
 - e. Welcome letter
 - f. Committee interest form
 - g. Survey of owners

Annex 1 Sample Documents

1. Sample newsletter
2. Sample correspondence



3. Sample directory
4. Sample welcome letter
5. Sample committee interest form
6. Sample survey form

Annex 2 Case Studies

1. Communicating to the owners about changes in rules
2. Conducting a forum on prioritizing and budgeting for capital repairs